



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE BEGINNING OF ADMINISTRATIVE FINE CASE # 2509

DATE SCANNED 11-14-12

SCANNER NO. 2

SCAN OPERATOR Imp

12092681335



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2012 APR -2 5 12
April 2, 2012

MEMORANDUM

SENSITIVE

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

FROM: Patricia Carmona *PC*
Chief Compliance Officer

Debbie Chacona *NUE for DC*
Assistant Staff Director
Reports Analysis Division

BY: *W* Jodi Winship/Sari Pickeran *SP*
Compliance Branch

SUBJECT: Reason To Believe Recommendation – 2012 February Monthly Report For
The Administrative Fine Program

Attached is a list of political committees and their treasurers who failed to file the 2012 February Monthly Report in accordance with 2 U.S.C. § 434(a). The February Monthly Report was due on February 20, 2012.

The committees listed in the attached RTB Circulation Report filed the report no more than thirty (30) days after the due date (considered a late filed report). In accordance with the schedule of civil money penalties for reports at 11 CFR 111.43, these committees should be assessed the civil money penalties highlighted on the attached circulation report.

Recommendation

1. Find reason to believe that the political committees and their treasurers listed on the RTB Circulation Report violated 2 U.S.C. § 434(a) and make a preliminary determination that the civil money penalties would be the amounts indicated on the RTB Circulation Report.
2. Send the appropriate letters.

12002681336

Federal Election Commission
Reason to Believe Circulation Report
2012 FEBRUARY MONTHLY Not Election Sensitive 02/20/2012 P_UNAUTH

AF#	Committee ID	Committee Name	Candidate Name	Treasurer	Threshold	PV	Receipt Date	Days Late	LOA	RTB Penalty
2508	C00004879	AMERICAN BUS ASSOCIATION-BUSPAC POLITICAL ACTION COMMITTEE		ERIC BRAENDEL	\$105,717	0	2/27/2012	7	\$17,650	\$145
2509	C00497511	BACHMANN FOR PRESIDENT	BACHMANN, MICHELE	NANCY H. WATKINS	\$18,689,085	0	3/21/2012	30	\$528,562	\$8,500
2510	C00347385	LEVEL 3 COMMUNICATIONS INC. POLITICAL ACTION COMMITTEE		JAMES PRIBYL	\$177,706	0	3/19/2012	28	\$3,461	\$165

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Reason To Believe Recommendation - 2012)
February Monthly Report for the)
Administrative Fine Program:)
AMERICAN BUS ASSOCIATION-) AF# 2508
BUSPAC POLITICAL ACTION)
COMMITTEE, and ERIC BRAENDEL as)
treasurer;)
BACHMANN FOR PRESIDENT, and) AF# 2509
WATKINS, NANCY H. as treasurer;)
LEVEL 3 COMMUNICATIONS INC.) AF# 2510
POLITICAL ACTION COMMITTEE, and)
PRIBYL, JAMES MR. as treasurer;)

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on April 04, 2012 the Commission took the following actions on the Reason To Believe Recommendation - 2012 February Monthly Report for the Administrative Fine Program as recommended in the Reports Analysis Division's Memorandum dated April 02, 2012, on the following committees:

AF#2508 Decided by a vote of 6-0 to: (1) find reason to believe that AMERICAN BUS ASSOCIATION-BUSPAC POLITICAL ACTION COMMITTEE, and ERIC BRAENDEL as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate letter. Commissioners Bauerly, Hunter, McGahn II, Petersen, Walther, and Weintraub voted affirmatively for the decision.

AF#2509 Decided by a vote of 6-0 to: (1) find reason to believe that BACHMANN FOR PRESIDENT, and WATKINS, NANCY H. as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate letter. Commissioners Bauerly, Hunter, McGahn II, Petersen, Walther, and Weintraub voted affirmatively for the decision.

AF#2510 Decided by a vote of 6-0 to: (1) find reason to believe that LEVEL 3 COMMUNICATIONS INC. POLITICAL ACTION COMMITTEE, and PRIBYL, JAMES MR. as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate letter. Commissioners Bauerly, Hunter, McGahn II, Petersen, Walther, and Weintraub voted affirmatively for the decision.

Attest:

April 5, 2012
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 5, 2012

Nancy H. Watkins, in official capacity as Treasurer
Bachmann for President
P. O. Box 251310
Woodbury, MN 55125

C00497511
AF#: 2509

Dear Ms. Watkins:

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires that your committee file a February Monthly Report of Receipts and Disbursements covering the period through January 31st. This report shall be filed no later than February 20th. 2 U.S.C. § 434(a). Records at the Federal Election Commission ("FEC") indicate that this report was filed on March 21, 2012, thirty (30) days late.

The Act permits the FEC to impose civil money penalties for violations of the reporting requirements of 2 U.S.C. § 434(a). 2 U.S.C. § 437g(a)(4). On April 4, 2012, the FEC found that there is reason to believe ("RTB") that Bachmann for President and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(a) by failing to file timely this report on or before February 20th. Based on the FEC's schedules of civil money penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at the RTB stage is \$8,500. Please see the attached copy of the Commission's administrative fine regulations at 11 CFR §§ 111.30-111.55. Attachment 1. The Commission's website contains further information about how the administrative fine program works and how the fines are calculated. See <http://www.fec.gov/af/af.shtml>. 11 CFR § 111.34. Your payment of \$8,500 is due within forty (40) days of the finding, or by May 14, 2012, and is based on these factors:

Election Sensitivity of Report: Not Election Sensitive
Level of Activity: \$528,562
Number of Days Late: 30
Number of Previous Civil Money Penalties Assessed: 0

At this juncture, the following courses of action are available to you:

1. If You Choose to Challenge the RTB Finding and/or Civil Money Penalty

If you should decide to challenge the RTB finding and/or calculated civil money penalty, you must submit a written response, including the AF# found at the top of page 1 under your committee's identification number, to the FEC's Office of Administrative Review, 999 E Street, NW, Washington, DC 20463. Your response must be received within forty (40) days of the

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Commission's RTB finding, or May 14, 2012. 11 CFR § 111.35(a). Your written response must include the reason(s) why you are challenging the RTB finding and/or calculated civil money penalty, and must include the factual basis supporting the reason(s) and supporting documentation. The FEC strongly encourages that documents be submitted in the form of affidavits or declarations. 11 CFR § 111.36(c).

The FEC will only consider challenges that are based on at least one of three grounds: (1) a factual error in the RTB finding; (2) miscalculation of the calculated civil money penalty by the FEC; or (3) your demonstrated use of best efforts to file in a timely manner when prevented from doing so by reasonably unforeseen circumstances that were beyond your control. 11 CFR § 111.35(b). In order for a challenge to be considered on the basis of best efforts, you must have filed the required report no later than 24 hours after the end of these reasonably unforeseen circumstances. *Id.* Examples of circumstances that will be considered reasonably unforeseen and beyond your control include, but are not limited to, (1) a failure of Commission computers or Commission-provided software despite your seeking technical assistance from Commission personnel and resources; (2) a widespread disruption of information transmissions over the Internet that is not caused by a failure of the Commission's or your computer systems or Internet service provider; and (3) severe weather or other disaster-related incident. 11 CFR § 111.35(c). Examples of circumstances that will not be considered reasonably unforeseen and beyond your control include, but are not limited to, (1) negligence; (2) delays caused by vendors or contractors; (3) treasurer and staff illness, inexperience or unavailability; (4) committee computer, software, or Internet service provider failures; (5) failure to know filing dates; and (6) failure to use filing software properly. 11 CFR § 111.35(d).

The "failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver" of your right to present such argument in a petition to the U.S. district court under 2 U.S.C. § 437g. 11 CFR § 111.38.

If you intend to be represented by counsel, please advise the Office of Administrative Review. You should provide, in writing, the name, address and telephone number of your counsel and authorize counsel to receive notifications and communications relating to this challenge and imposition of the calculated civil money penalty.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Submit a Challenge

If you do not pay the calculated civil money penalty and do not submit a written response, the FEC will assume that the preceding factual allegations are true and make a final determination that Bachmann for President and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty.

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA"), as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701 *et seq.* The FEC may take any and all appropriate action authorized and required by the DCA, as amended, including transfer to the U.S. Department of the Treasury for collection. 11 CFR § 111.51(a)(2).

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the calculated civil money penalty, send the enclosed remittance form, along with your payment, to the FEC at the address on page 4. Upon receipt of your payment, the FEC will send you a final determination letter.

This matter was generated based on information ascertained by the FEC in the normal course of carrying out its supervisory responsibilities. 2 U.S.C. § 437g(a)(2). It will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and 437g(a)(12)(A) until it is placed on the public record in accordance with 11 CFR § 111.42, unless you notify the FEC in writing that you wish the matter to be made public.

As noted earlier, you may obtain additional information on the FEC's administrative fine program, including the final regulations, on the FEC's website at <http://www.fec.gov/af/af.shtml>. If you have questions regarding the payment of the calculated civil money penalty, please contact Sari Pickerall in the Reports Analysis Division at our toll free number (800) 424-9530 (at the prompt press 5) or (202) 694-1130. If you have questions regarding the submission of a challenge, please contact the Office of Administrative Review at our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Caroline C. Hunter
Chair

ADMINISTRATIVE FINE REMITTANCE & PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at RTB is \$8,500 for the 2012 February Monthly Report.

Please mail this remittance with a check or money order made payable to the Federal Election Commission to the following address:

Federal Election Commission
P.O. Box 979058
St. Louis, MO 63197-9000

If you choose to send your remittance and payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The remittance and your payment are due by May 14, 2012. Upon receipt of your remittance and payment, the FEC will send you a final determination letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTS). Your account will be electronically debited for the amount on your check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Bachmann for President

FEC ID#: C00497511

AF#: 2509

PAYMENT DUE DATE: May 14, 2012

PAYMENT AMOUNT DUE: \$8,500

PATTON BOGGS LLP

RECEIVED

2012 MAY 11 AM 11:31

FEC MAIL CENTER

2550 M Street, NW
Washington, DC 20037
202-457-6000

Facsimile 202-457-6315
www.pattonboggs.com

11 MAY '12 RCUD

Federal Election Commission
Office of Administrative Review
999 E Street, N.W.
Washington, DC 20463

May 11, 2012

William J. McGinley
202-457-6561
wmcginley@pattonboggs.com

VIA HAND DELIVERY

Office of Administrative Review
Federal Election Commission
999 E Street, NW
Washington, DC 20463

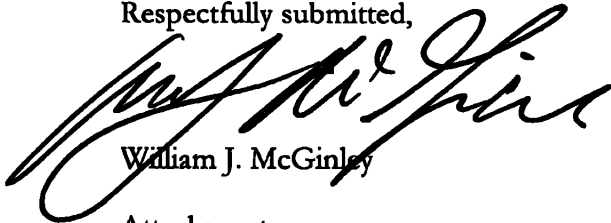
Re: Bachmann for President
C00497511
AF#2509

To Whom It May Concern:

Please find attached the response of our client, Bachmann for President, to the notification in the above-referenced matter. Also attached is an executed Statement of Designation of Counsel.

Please do not hesitate to contact us with any questions.

Respectfully submitted,



William J. McGinley

Attachments

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FEDERAL ELECTION COMMISSION

999 E Street, N.W.

Washington, D.C. 20463

Statement of Designation of Counsel

Bachmann for President, and Nancy Watkins, as Treasurer – AF# 2509

Name of Counsel: William J. McGinley
Benjamin Wood
Glenn Willard

Firm: Patton Boggs, LLP
2550 M Street, NW
Washington, DC 20037

Telephone: (202) 457-6561

Fax: (202) 457-6315

The above named individuals are hereby designated as counsel and are authorized to receive any notifications and other communications from the Commission and to act on behalf of Bachmann for President, and Nancy Watkins, as Treasurer, before the Commission.

4/23/2012
Date

Nancy Watkins
Nancy Watkins, as Treasurer
Signature

Name (Print): Bachmann for President
And Nancy Watkins, as Treasurer

Address: PO Box 521310
Woodbury, MN 55025

Information is being sought as part of an investigation being conducted by the Federal Election Commission and the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section prohibits making public any investigation conducted by the Federal Election Commission without the express written consent of the person under investigation.

12092681345

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)	
)	AF #2509
Bachmann for President)	C00497511
and Nancy Watkins, as Treasurer)	

**RESPONSE OF BACHMANN FOR PRESIDENT
TO THE REASON TO BELIEVE NOTIFICATION IN AF #2509**

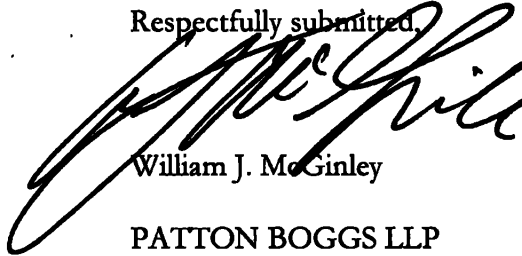
The responds on behalf of our client to the reason to believe ("RTB") notification from the Federal Election Commission ("Commission") that Bachmann for President ("BFP") failed to file the February 2012 monthly report in the above referenced matter. The notification indicates that the proposed civil penalty at the RTB stage is \$8,500. For the reasons set forth in the attached declaration from BFP's Treasurer, Nancy Watkins, BFP challenges the proposed civil penalty because there are factual errors in the RTB finding.

Specifically, the unique facts in this matter warrant at a minimum a significant reduction in – if not an outright elimination of – the proposed penalty, as Ms. Watkins proactively sought guidance from BFP's Reports Analysis Division's analyst in an effort to comply with the reporting requirements during the transitional period from a presidential campaign to an authorized campaign of a congressional candidate. There are no set procedures under the Federal Election Campaign Act or Commission regulations for this type of transition and Ms. Watkins good faith efforts, as set forth in the attached declaration, are material facts that the Commission must take into account when determining how or whether to proceed in this matter.

12092681346

Accordingly, we respectfully request that the Commission eliminate the civil penalty in its entirety based in the pro-active compliance efforts made by BFP, or in the alternative, reduce the civil penalty to an appropriate amount.

Respectfully submitted,



William J. McGinley

PATTON BOGGS LLP
2550 M Street, NW
Washington, DC 20037
P: (202) 457-6000
F: (202) 457-6315

May 11, 2012

Attachment: A: Statement of Designation of Counsel
B: Declaration of Nancy Watkins



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Via First Class Mail

May 11, 2012

William J. McGinley
Patton Boggs, LLP
2550 M Street, NW
Washington, DC 20037

C00497511
AF# 2509

Dear Mr. McGinley:

On May 11, 2012, the Commission received your written response ("challenge") for Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, which is being reviewed by the Office of Administrative Review. If you have any questions regarding your challenge, please contact this Office on our toll free number (800)424-9530 (press 0, then ext. 1660) or (202)694-1660.

Sincerely,

A handwritten signature in black ink, appearing to read "Dayna C. Brown".

Dayna C. Brown
Reviewing Officer
Office of Administrative Review

12092681348

Date: May 14, 2012

**REFERRAL TO OFFICE OF ADMINISTRATIVE REVIEW
CHALLENGE RECEIVED**

AF#: 2509

Committee Name: Bachmann for President

Committee ID#: C00497511

Committee Address (if different than in RTB letter): N/A

Treasurer Name (if different than in RTB finding): N/A

Attachments:

Copy of RTB Circulation Report, dated April 02, 2012 and RTB Certification, dated April 05, 2012 (Y/N): Y

Attachment #: # 1

Proof of Delivery (to be forwarded at later date if not yet received) (Y/N): Y

Attachment #: # 2

Original Correspondence Received by RAD in Response to RTB Letter (Y/N): N

Attachment #: N/A

RAD Staff Declaration (Y/N): Y

-2011 Year End Report Prior Notice, dated December 27, 2011.

-Non-Filer Letter, dated March 7, 2012.

-RTB Letter, dated April 5, 2012.

Attachment #: 5


Other RAD Information: (Y/N): N

Attachment#: N/A

12092681349

DECLARATION OF JODI WINSHIP

1. I am the Chief of the Compliance Branch for the Reports Analysis Division of the Federal Election Commission ("Commission"). In my capacity as Chief of the Compliance Branch, I oversee the initial processing of the Administrative Fine Program. I make this declaration based on my personal knowledge and, if called upon as a witness, could and would testify competently to the following matters.
2. I hereby certify that documents identified herein are true and accurate copies of the following sent by the Commission to Bachmann for President:
 - A) Prior Notice, dated December 27, 2011, referencing the 2011 Year End Report (sent via electronic mail to: nwatkins@robertwatkins.com);
 - B) Non-Filer Letter, dated March 7, 2012, referencing the 2012 February Monthly Report;
 - C) Reason-to-Believe Letter, dated April 5, 2012 referencing the 2012 February Monthly Report.
3. I hereby certify that I have searched the Commission's public records and find that Bachmann for President filed the 2012 February Monthly Report with the Commission on March 21, 2012.
4. Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct and that all relevant telecoms for the matter have been provided. This declaration was executed at Washington, D.C. on the 14th day of May, 2012.


Jodi Winship
Chief, Compliance Branch
Reports Analysis Division
Federal Election Commission



YEAR-END REPORT NOTICE

FEDERAL ELECTION COMMISSION

PRESIDENTIAL COMMITTEES

December 27, 2011

CURRENT REPORT DUE:

QUARTERLY & MONTHLY FILERS

REPORT	CLOSE OF BOOKS ¹	REG/CERT. & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
Year-End	12/31/11	01/31/12	01/31/12

[Click here for Supplemental Filing Information \(2011\)](#)

[See Page 2 for 2012 Reporting Schedule](#)

¹A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered.

LOOKING AHEAD TO 2012

QUARTERLY FILING SCHEDULE

REPORT	CLOSE OF BOOKS ¹	REG/CERT & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
April Quarterly	03/31/12	04/15/12	04/15/12 ²
July Quarterly	06/30/12	07/15/12	07/15/12 ²
October Quarterly	09/30/12	10/15/12	10/15/12
Pre-General	10/17/12	10/22/12	10/25/12
48-Hour Notices	Period: 10/18/12 – 11/03/12 (click here for filing info)		
Post-General	11/26/12	12/06/12	12/06/12
Year-End	12/31/12	01/31/13	01/31/13

MONTHLY FILING SCHEDULE

REPORT	CLOSE OF BOOKS ¹	REG/CERT & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
February	01/31/12	02/20/12	02/20/12 ²
March	02/29/12	03/20/12	03/20/12
April	03/31/12	04/20/12	04/20/12
May	04/30/12	05/20/12	05/20/12 ²
June	05/31/12	06/20/12	06/20/12
July	06/30/12	07/20/12	07/20/12
August	07/31/12	08/20/12	08/20/12
September	08/31/12	09/20/12	09/20/12
October	09/30/12	10/20/12	10/20/12 ²
Pre-General	10/17/12	10/22/12	10/25/12
48-Hour Notices	Period: 10/18/12 – 11/03/12 (click here for filing info)		
Post-General	11/26/12	12/06/12	12/06/12
Year-End	12/31/12	01/31/13	01/31/13

[Click here for Supplemental Filing Information \(2012\)](#)

¹A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered.

²Notice that this filing deadline falls on a weekend or federal holiday. Filing deadlines are not extended when they fall on nonworking days. Accordingly, reports filed by methods other than Registered, Certified or Overnight Mail, or electronically, must be received before the Commission's close of business on the last business day before the deadline.

2011 SUPPLEMENTAL FILING INFORMATION PRESIDENTIAL COMMITTEES

PLEASE NOTE: The Commission provides reminders of upcoming filing dates as a courtesy to help committees comply with the filing deadlines set forth in the Act and Commission regulations. Committee treasurers must comply with all applicable filing deadlines established by law, and the lack of prior notice does not constitute an excuse for failing to comply with any filing deadline.

WHO MUST FILE

All committees authorized by Presidential candidates ¹ must file either Quarterly or Monthly reports in 2011. See 11 CFR 104.5(b). Before a committee can stop filing with the FEC, it must file a termination report with the Commission. See 11 CFR 102.3. Committees must continue to file reports until the Commission notifies them in writing that their termination report has been accepted.

METHODS OF FILING REPORTS

Electronic Filing

Reports filed electronically must be received and validated by the Commission by 11:59 p.m. Eastern Time on the filing deadline. See 11 CFR 104.5(e).

- Web Page: Electronic Filing Page

Paper Filing – Meeting the Filing Deadline

Paper report filing options – Registered, Certified or Overnight or First Class Mail.

See 11 CFR 104.5(e).

- Web Page: Link to Paper Forms (for downloading and printing)

CHANGE IN FILING FREQUENCY

Committees able to change their reporting schedule (for example, from monthly to quarterly) who wish to do so must notify the Commission in writing and may change their filing frequency no more than once per calendar year. See 11 CFR 104.5(b)(2).

- Web Page: Filing Frequency by Type of Committee

¹ Generally, an individual becomes a candidate for federal office (and thus triggers registration and reporting obligations) when his or her campaign exceeds \$5,000 in either contributions received or expenditures made. If the campaign has not crossed the \$5,000 threshold, it is not required to file reports. See 11 CFR 100.3(a).

COMPLIANCE

Treasurer Responsibility

Committee treasurers are responsible for both the timeliness and the accuracy of all reports. They may be subject to monetary penalties if reports are inaccurate or are not filed on time. See 11 CFR 104.14(d).

- Statement of Policy Regarding Treasurers Subject to Enforcement Proceeding [PDF]
- Brochure: Committee Treasurers

Administrative Fine Program

Failure to file reports on time may be subject to civil money penalties up to \$17,600 (or more for repeat late- and non-filers). See 11 CFR 111.43(b). See generally, 11 CFR 111.30.

- Web Page: Administrative Fine Program Page

2011 REPORTING SCHEDULE

- Web Page: 2011 Reporting Dates Page
- The Record: January 2011 issue [PDF]

DISCLOSURE OF LOBBYIST BUNDLING ACTIVITY

Campaign committees must file FEC Form 3L [PDF] if they receive two or more bundled contributions from lobbyists/registrants or lobbyist/registrant PACs that aggregate in excess of \$16,200 the lobbyist bundling disclosure threshold during the applicable reporting period (see page 1 of this notice). See 11 CFR 104.22 and 11 CFR 110.17(e).

LOOKING AHEAD TO 2012

ELECTION YEAR FILING FREQUENCY

Quarterly Filers

Committees that have not received contributions or made expenditures of \$100,000 or more during the 2012 presidential election cycle may file on a quarterly basis. Note that quarterly filers must also file a pre-election report for each election in which the candidate seeks nomination or election. See 11 CFR 104.5(b)(1)(ii).

- Web Page: 2012 Reporting Dates Page – coming in 2012
- The *Record*: January 2012 issue [PDF] – coming in 2012

Monthly Filers

Committees that have received contributions or made expenditures of \$100,000 or more during the 2012 presidential election cycle must file monthly reports.

See 11 CFR 104.5(b)(1)(i).

- Web Page: 2012 Reporting Dates Page – coming in 2012
- The *Record*: January 2012 issue [PDF] – coming in 2012

48-HOUR NOTICES ON CONTRIBUTIONS ²

Notices are required if the committee receives any contribution (including in-kind gifts or advances of goods or services; loans from the candidate or other non-bank sources; and guarantees or endorsements of bank loans to the candidate or committee) of \$1,000 or more per source, during the period less than 20 days but more than 48 hours before any election in which the candidate is running.

The notices must reach the appropriate federal filing office within 48 hours of the committee's receipt of the contribution(s). **Campaign committees that file electronically MUST submit their 48-hour notices electronically.** See 11 CFR 104.5(f) and 104.18(c).

- Web Page: Electronic Filing Page
- Web Page: Link to Paper Forms (for downloading and printing)
- Form 6 Fax number: (202) 219-0174
- Campaign Guide: Candidate Guide, p. 80 [PDF]

² Presidential primary campaigns filing monthly need not file 48 Hour Notices.

FOR INFORMATION, CALL: (800) 424-9530 or (202) 694-1100



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2012 JUL 12 AM 9: 15

SENSITIVE

July 11, 2012

MEMORANDUM

To: The Commission

Through: Alec Palmer *AP*
Staff Director

From: Patricia Carmona *PC*
Chief Compliance Officer

Dayna C. Brown *DCB*
Reviewing Officer
Office of Administrative Review

Subject: Reviewing Officer Recommendation in AF# 2509 – Bachmann for
President and Nancy H. Watkins, in her official capacity as Treasurer
(C00497511)

The attached Reviewing Officer Recommendation is being circulated on an informational basis. A copy was also sent to the respondents in accordance with 11 C.F.R. § 111.36(f). The respondents may file with the Commission Secretary a written response within 10 days of transmittal of the recommendation.

After the 10 day period, the Reviewing Officer Recommendation and the respondents' written response, if any, will be circulated to the Commission to make a final determination.

Attachment

12092681357



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 11, 2012

**REVIEWING OFFICER RECOMMENDATION
OFFICE OF ADMINISTRATIVE REVIEW ("OAR")**

AF# 2509 – Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer
(C00497511)

Summary of Recommendation

Make a final determination that the respondents violated 2 U.S.C. § 434(a) and assess a \$8,500 civil money penalty.

Reason-to-Believe Background

On April 4, 2012, the Commission found reason to believe ("RTB") that the respondents violated 2 U.S.C. § 434(a) for failing to timely file the 2012 February Monthly Report and made a preliminary determination that the civil money penalty was \$8,500 based on the schedule of penalties at 11 C.F.R. § 111.43. A letter, dated April 5, 2012, was mailed to the respondents' address of record by the Reports Analysis Division ("RAD") to notify them of the Commission's RTB finding and civil money penalty.

Legal Requirements

The Federal Election Campaign Act ("Act") states that the treasurer of a principal campaign committee shall file monthly reports no later than the 20th day after the last day of each month. 2 U.S.C. § 434(a)(3)(A)(i) and 11 C.F.R. § 104.5(b)(1). Reports electronically filed must be received and validated at or before 11:59 p.m., Eastern Standard/Daylight Time on February 20 to be timely filed. 11 C.F.R. §§ 100.19(c) and 104.5(e). The treasurer shall be personally responsible for the timely and complete filing of reports and the accuracy of the information contained in them. 11 C.F.R. § 104.14(d).

Respondents' Challenge

On May 11, 2012, the Commission received the written response ("challenge") from the respondents' Counsel who states that they are challenging based on factual errors in the RTB finding which warrant a significant reduction in, or outright elimination of the proposed penalty.

Included in the challenge is a declaration from the Treasurer in which she states that in January 2012, she called the Committee's Reports Analyst to discuss the various reporting options for the Committee's February Monthly Report, and specifically the impact each option would have should Congresswoman Bachmann decide to run for the U.S. House of Representatives again. The Treasurer states that she had several in-depth conversations with the Reports Analyst regarding contributions and reporting. She states that with the option to convert the Committee from a principal campaign committee of a Presidential candidate to an authorized

committee of a House candidate, the Committee would file on a Form 3 and she confirmed with the Reports Analyst that the Committee would thereafter file on a quarterly filing schedule, and the next report would therefore be the April Quarterly Report. She recalls the Reports Analyst saying the Committee would file an April Quarterly Report covering January 1 through March 31, 2012.

In what she believes was the same call in which the Reports Analyst confirmed that she should file the April Quarterly Report, the Treasurer states that she consulted the Analyst regarding an issue with the Commission's filing software not allowing her to change the committee type from Presidential to House. When the Commission was not able to resolve the technical issue, she filed an amended Statement of Organization and, at the direction of the Analyst, included a memo text explaining that the Committee was now an authorized committee of a House candidate.

The Treasurer states that the Committee was sent a Failure to File Notice for the February Monthly Report dated March 7, 16 days after the report was due and explains that, had the notice been sent promptly, the days late used in the calculation could have been cut in half. She states that they became aware of the Failure to File notice on March 16. Believing the notice was sent in error, her assistant called the Commission to inquire about the notice and was informed that the report was in fact due, contrary to the guidance previously received from the Reports Analyst. The Treasurer left a message for the Reports Analyst on March 19 and received a return call from RAD's Compliance Branch Chief who advised her that the report was due, but would check on whether the report should cover January 1 through January 31 or January 1 through January 4, because the Congresswoman suspended her presidential candidacy on January 5. When she called back, the Branch Chief advised that the report should cover January 1 through January 25, based on when the Congresswoman announced she was again running for the U.S. House of Representatives. The Treasurer states that they then prepared and filed the report within 48 hours.

The Treasurer states that she was unable to find a Late Filing notice for the February Monthly Report in her email archive, though she received one for the March Monthly Report, which was clearly incorrect.

Counsel concludes that there are no set procedures under the Federal Election Campaign Act or Commission regulations for the transition of a Presidential campaign to an authorized campaign of a Congressional candidate and the Commission must take the Treasurer's good faith efforts into account when determining how or whether to proceed in this matter.

Analysis

The challenge chiefly contends that the respondents were advised by their Reports Analyst in January 2012 that the Committee's next report would be the April Quarterly Report. According to the RAD telecoms (written records of telephone conversations), the Treasurer called the Reports Analyst on January 18, 2012 to discuss the Committee's options following the Candidate's withdrawal from the Presidential race. In connection with the option of changing the Committee from the principal campaign committee ("PCC") of a Presidential candidate to

the PCC of a U.S. House of Representatives candidate, the Reports Analyst confirmed that following this conversion the Committee should begin filing on Form 3 and their next report would be the April Quarterly.

RAD telecoms further indicate that the Treasurer did not attempt to convert the Committee from the PCC of a Presidential candidate until February 1, when she informed a Reports Analyst that while trying to file an amended Statement of Organization to convert the Committee to an authorized committee of U.S. House of Representatives candidate, the electronic filing software was not allowing her to change the Candidate's office from President to House. The Analyst advised her to file a Form 99 (Miscellaneous Document) explaining the situation while he attempted to have the issue resolved, and on February 6 the Treasurer filed an amended Statement of Organization, with explanatory text, converting the Committee to an authorized committee for a House candidate.

The Treasurer was advised by the Reports Analyst that *after* they converted their Committee from a PCC for a Presidential candidate, their next report would be the April Quarterly Report. The Treasurer did not attempt such a conversion until February 1. Line 2 of their amended Statement of Organization, which Form Instructions state "notes the date of change in information" discloses January 25, 2012 as the date of the Committee's conversion from a PCC for a Presidential candidate. The Committee was, therefore, the PCC of a Presidential candidate from January 1 through January 25, and accordingly required to file the February Monthly Report for this time period.

According to RAD telecoms, this information was explained to the Treasurer on March 20 when she spoke with the RAD Compliance Branch Chief. During this call regarding the Non-filer Notice the Committee received for the February Monthly Report, the Treasurer stated that she thought RAD was being inconsistent because when the Bachmann for Congress committee converted from a PCC for a House candidate to an authorized committee of a Presidential candidate in 2011, they were advised to split the 2011 July Quarterly Report and file April 1 through June 12, 2011 on Form 3 for the House committee and June 13 through June 30, 2011 on Form 3P for the Presidential committee. The Branch Chief explained that the Bachmann for Congress committee filed an amended Statement of Organization dated June 13, 2011, changing the committee type in the middle of the July Quarterly reporting period, which necessitated the splitting of the report. The Branch Chief further explained that, similarly, the Bachmann for President committee filed an amended Statement of Organization with a date of January 25, changing the committee type in the middle of the February Monthly reporting period. In this case, the change in committee type resulted in the need for Bachmann for President to file a February Monthly Report for January 1 through January 25, in accordance with 2 U.S.C. 434(a)(3)(A) and 11 CFR 104.5(b), given that for this period, the Committee was a PCC for a Presidential candidate that received contributions or made expenditures in excess of \$100,000 during the calendar year. After converting the Committee to an authorized committee of House candidate, the Committee could then begin filing quarterly, as was advised by the Reports Analyst on January 18, resulting in an April Quarterly Report covering January 26 through March 31, 2012.

The February Monthly Report, covering January 1 through January 25, 2012, was filed on March 21, 30 days late. The April Quarterly Report was timely filed on April 13, covering January 26 through March 31, 2012.

With respect to the challenge's contention that the respondents did not receive an emailed Late Filing notice, and that the Non-Filer Notice they received was dated March 7, 16 days after the report was due, the Reviewing Officer notes that both forms of notification are sent as a courtesy to committees and their treasurers. It is the Treasurer's responsibility to ensure that reports are filed on time. 11 C.F.R. § 104.14(d). Notwithstanding the Treasurer's responsibility, on December 27, 2011, the Report Notice for the 2011 Year End Report was sent, via email to NWATKINS@ROBERTWATKINS.COM, the email address disclosed on their Statement of Organization. The Report Notice provided the 2012 Monthly filing schedule for presidential committees, including the due date for the February Monthly Report, and noted that committees that received contributions or made expenditures of \$100,000 or more during the 2012 presidential election cycle must file monthly reports. Additionally, RAD confirms that the Committee's Non-Filer Notice was sent in accordance with their standard procedures, and on the same day such notices were sent to all committees that failed to file the February Monthly Report.

Regarding Counsel's request that the civil penalty be "reduced to an appropriate amount," there are four criteria used to calculate the amount of the civil money penalty. 11 C.F.R. § 111.43. They are: the election sensitivity of the report, the number of prior violations, the number of days late, and the level of activity on the late report. The respondents have no prior violations. The February Monthly Report is not an election sensitive report and it was filed 30 days late. The administrative fine regulations define the level of activity for an authorized committee as total receipts plus total disbursements for the late filed report. 11 C.F.R. § 111.43(d)(3)(i). The February Monthly Report discloses \$167,727 in receipts and \$360,835 in disbursements, resulting in a level of activity of \$528,562. Using the schedule of penalties at 11 C.F.R. § 111.43(a) and the level of activity bracket of \$450,000 - \$549,999.99, the civil money penalty is $[\$2,500 + (\$200 \times 30)] \times [1 + (.25 \times 0)]$ or \$8,500, as cited in the RTB letter.

Their challenge fails to address any of the three valid grounds at 11 C.F.R. § 111.35(b). These are: (i) the RTB finding is based on factual errors; and/or (ii) the improper calculation of the civil money penalty; and/or (iii) they used best efforts to file on time but were prevented from doing so by reasonably unforeseen circumstances that were beyond their control and they filed the report no later than 24 hours after the end of these circumstances. The Reviewing Officer, therefore, recommends that the Commission make a final determination that the respondents violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$8,500.

OAR Recommendations

- (1) Adopt the Reviewing Officer recommendation for AF# 2509 involving Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, in making the final determination;
- (2) Make a final determination in AF# 2509 that Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$8,500; and

(3) Send the appropriate letter.

Reviewing Officer: Dayna C. Brown

Attachments

Attachment 1 – Challenge Received from Respondents

Attachment 2 –

Attachment 3 – Declaration from RAD

Attachment 4 – Declaration from OAR

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DECLARATION OF DAYNA C. BROWN

- 1) I am the Reviewing Officer in the Office of Administrative Review for the Federal Election Commission ("Commission"). In my capacity as Reviewing Officer, I conduct research with respect to all challenges submitted in accordance with the Administrative Fine program.
- 2) The 2012 February Monthly Report is due February 20, 2012. If electronically filed, it must be received and validated by the Commission at or before 11:59 p.m., Eastern Standard/Daylight Time on February 20 to be timely filed.
- 3) It is the practice of the Reports Analysis Division to document all calls to or from committees regarding a letter they receive or any questions relating to the FECFile software or administrative fine regulations including due dates of reports and filing requirements.
- 4) I hereby certify that I have searched the Commission's public records and that the documents identified herein are the true and accurate copies of:
 - a) Page 1 of the Federal Election Commission's Instructions for Statement of Organization (FEC Form 1). The Line-by-Line Instructions state: "LINE 2. State the date the group or organization became a political committee. If this filing is an amendment, note the date of the change in information;" and
 - b) Page 1 and 2 of the amended Statement of Organization filed by Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer. According to the Commission's records, the document was dated and received on July 8, 2011, lists "NWATKINS@ROBERTWATKINS.COM" as the Committee's email address, Line 5a-d discloses the Committee as the principal campaign committee of Michelle Bachmann for the Office of President; and
 - c) Page 1 and 2 the amended Statement of Organization and the FEC Miscellaneous Text Related to a Report, Schedule or Itemization filed by Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer. According to the Commission's records, the document was dated and received on February 6, 2012. Line 2 lists January 25, 2012 as the date of the change of information, Line 5 discloses the Committee as an authorized committee of Michelle Bachmann and not a principal campaign committee, and the Miscellaneous Text states, "This committee is now an authorized committee of a House candidate, Michelle Bachmann, MN06"; and
 - d) Page 1 of the Summary Page and the Detailed Summary Page for the 2012 February Monthly Report electronically filed by Bachmann for President and Nancy Watkins, in her official capacity as Treasurer. According to the Commission's records, the report was received on March 21, 2012, and covers the period from January 1 through 25, 2012. Line 22 lists \$167,727.40 in total receipts for the reporting period. Line 30 lists \$360,835.53 in total disbursements for the reporting period; and
 - e) Page 1 of the Summary Page for the 2012 April Quarterly Report electronically filed by Bachmann for President and Nancy Watkins, in her official capacity as Treasurer. According to the Commission's records, the report was received on April 13, 2012, and covers the period from January 26 through March 31, 2012.

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- 5) Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Washington on the 11th of July, 2012.

A handwritten signature in black ink, appearing to read "Dayna C. Brown", is written over a horizontal line.

Dayna C. Brown
Reviewing Officer
Office of Administrative Review
Federal Election Commission

12092681364

FEDERAL ELECTION COMMISSION

Instructions for Statement of Organization (FEC FORM 1)

When to File

New political committees must file this form to register the committee once they exceed the applicable threshold, as described below:

- Principal campaign committees must file this form no later than 10 days after the candidate designates the committee on the Statement of Candidacy (FEC FORM 2). Other authorized committees file this form with the principal campaign committee, which in turn must file this form with the appropriate filing offices.
- Committees sponsored by corporations, labor organizations or trade associations (i.e., separate segregated funds) must file this form no later than 10 days after their establishment.
- Local political party committees must file this form no later than 10 days after exceeding one of the following thresholds during a calendar year: (1) receiving contributions in connection with a federal election aggregating in excess of \$5,000; (2) making exempt payments under 11 CFR 100.80, 100.87, 100.89, 100.140, 100.147 or 100.149 aggregating in excess of \$5,000; or (3) making contributions or expenditures in connection with a federal election aggregating in excess of \$1,000.
- All other political committees must file this form no later than 10 days after receiving contributions or making expenditures in connection with a federal election aggregating in excess of \$1,000 during a calendar year.

Note: Political committees (except for committees required to file with the Secretary of the Senate) must file reports in an electronic form under 11 CFR 104.18 if they have either received contributions or made expenditures in excess of \$50,000 during a calendar year, or if they have reason to expect that they will exceed either of those thresholds during the calendar

year. If your committee has reached this level of activity, you must file this form in an electronic format.

A political committee is considered to have reason to expect it will exceed the electronic filing threshold for the next two calendar years after the calendar year in which it exceeds \$50,000 in contributions or expenditures. Exception: This does not apply to an authorized committee with \$50,000 or less in net debts outstanding on January 1 of the year following the general election that anticipates terminating prior to January 1 of the next election year, as long as the candidate has not qualified under 2 U.S.C. §432 as a candidate in the next election and does not intend to become a federal candidate in the next election.

A new committee with no previous contributions or expenditures is considered to have reason to expect it will exceed the electronic filing threshold if it exceeds \$12,500 in contributions or expenditures during the first calendar quarter of the calendar year, or \$25,000 in contributions or expenditures in the first half of the calendar year.

Contact the FEC for more information on filing electronically.

Line-by-Line Instructions

LINE 1. Print or type full name and mailing address of the committee. The name of a principal campaign committee or other authorized committee must include the name of the candidate who authorized the committee. A political committee which is not an authorized committee can not include the name of any candidate in its name, except that a delegate committee must include the word "delegate(s)" in its name and may also include the name of the Presidential candidate which it supports. A political committee established solely to draft an individual or

to encourage an individual to become a candidate may include the name of the individual in the name of the committee, provided the committee's name clearly indicates that it is a draft committee. The name of a separate segregated fund must include the full name of its connected organization. Any abbreviation or acronym used by the fund must also be reported. Finally, list the committee's electronic mail address and the Internet address (URL) of the committee's official Web site, if such a Web site exists.

LINE 2. State the date the group or organization became a political committee. If this filing is an amendment, note the date of the change in information.

LINE 3. Only committees that have previously filed a Statement of Organization should fill in this block with the number that was originally assigned to the committee. All new committees will be assigned identification numbers when the completed statement has been received.

LINE 4. All political committees registering for the first time check the box labeled "NEW." Committees that have previously filed FEC FORM 1 and are now submitting changes or corrections check the box labeled "AMENDED." If "AMENDED" is checked, complete Lines 1 through 4. With respect to Lines 5 - 9 include only the change(s) in information previously submitted. Committees are reminded that any change or correction in the information previously filed in the Statement of Organization shall be reported no later than 10 days following the date of the change or correction. Committees that are required to file electronically are also required to file amendments to the Statement of Organization in an electronic format.

**FEC
FORM 1****STATEMENT OF
ORGANIZATION**

(See instructions)

Office use only

1. NAME OF COMMITTEE (in full) (Check if name is changed) Example: If typing, type over the lines 12FE4M5

Bachmann for President

ADDRESS (number and street)

P. O. Box 251310

(Check if address is changed)

Woodbury

MN

55125

CITY▲

STATE▲

ZIP CODE ▲

COMMITTEE'S E-MAIL ADDRESS (Please provide only one e-mail address)

(Check if address is changed)

nwatkins@robertwatkins.com

COMMITTEE'S WEB PAGE ADDRESS (URL)

(Check if address is changed)

www.michelebachmann.com

2. DATE M M / D D / Y Y Y Y
07 07 2011

3. FEC IDENTIFICATION NUMBER C C00497511

4. IS THIS STATEMENT NEW (N) OR X AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete

Type or Print Name of Treasurer Nancy H. Watkins

Signature of Treasurer Electronically Filed by Nancy H. Watkins

Date M M / D D / Y Y Y Y
07 08 2011

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS

Office
Use
OnlyFor further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-694-1100**FEC FORM 1**
(Revised 02/2009)

12092681366

5. TYPE OF COMMITTEE (Check One)

Candidate Committee:

- (a) ☒ This committee is a principal campaign committee. (Complete the candidate information below.)
- (b) ☐ This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of
Candidate

Michele Bachmann

Candidate
Party Affiliation

REP

Office
Sought:

House

Senate

☒

President

State

District

- (c) ☐ This committee supports/opposes only one candidate, and is NOT an authorized committee.

Name of
Candidate

Party Committee:

- (d) ☐ This committee is a _____ (National, State
(or subordinate) committee of the _____ (Democratic,
Republican, etc.) Party.

Political Action Committee (PAC):

- (e) ☐ This committee is a separate segregated fund. (Identify connected organization on line 6.) Its connected organization is a:

Corporation

Corporation w/o Capital Stock

Labor Organization

Membership Organization

Trade Association

Cooperative

- (f) ☐ In addition, this committee is a Lobbyist/Registrant PAC.
This committee supports/opposes more than one Federal candidate, and is NOT a separate segregated fund or party committee. (i.e., nonconnected committee)

In addition, this committee is a Lobbyist/Registrant PAC.

In addition, this committee is a Leadership PAC. (Identify sponsor on line 6.)

Joint Fundraising Representative:

- (g) ☐ This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, at least one of which is an authorized committee of a federal candidate.
- (h) ☐ This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, none of which is an authorized committee of a federal candidate.

Committees Participating in Joint Fundraiser

1.	<input type="text"/>	FEC ID number	C
2.	<input type="text"/>	FEC ID number	C
3.	<input type="text"/>	FEC ID number	C
4.	<input type="text"/>	FEC ID number	C

12092681567

Image# 12950441186

PAGE 1 / 5

**FEC
FORM 1****STATEMENT OF
ORGANIZATION**

Office Use Only

1. NAME OF COMMITTEE (in full) (Check if name is changed) Example: If typing, type over the lines. 12FE4M5

Bachmann for President

ADDRESS (number and street) P. O. Box 251310

(Check if address is changed) Woodbury MN 55125

CITY STATE ZIP CODE

COMMITTEE'S E-MAIL ADDRESS (Please provide only one e-mail address)

nwatkins@robertwatkins.com

(Check if address is changed)

COMMITTEE'S WEB PAGE ADDRESS (URL)

www.michelebachmann.com

(Check if address is changed)

2. DATE M M Y Y Y Y 01 25 2012

3. FEC IDENTIFICATION NUMBER C C00497511

4. IS THIS STATEMENT NEW (N) OR X AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Nancy H. Watkins

Signature of Treasurer Nancy H. Watkins [Electronically Filed] Date M M Y Y Y Y 02 06 2012

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

Office
Use
Only

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-694-1100

FEC FORM 1
(Revised 02/2009)

12092681368

5. TYPE OF COMMITTEE

Candidate Committee:

- (a) This committee is a principal campaign committee. (Complete the candidate information below.)
- (b) ☒ This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate

Michele Bachmann

Candidate
Party Affiliation

REP

Office
Sought:

House

Senate

☒

President

State

MN

District

06

- (c) This committee supports/opposes only one candidate, and is NOT an authorized committee.

Name of
Candidate**Party Committee:**

- (d) This committee is a (National, State or subordinate) committee of the (Democratic, Republican, etc.) Party.

Political Action Committee (PAC):

- (e) This committee is a separate segregated fund. (Identify connected organization on line 6.) Its connected organization is a:

Corporation

Corporation w/o Capital Stock

Labor Organization

Membership Organization

Trade Association

Cooperative

In addition, this committee is a Lobbyist/Registrant PAC.

- (f) This committee supports/opposes more than one Federal candidate, and is NOT a separate segregated fund or party committee. (i.e., nonconnected committee)

In addition, this committee is a Lobbyist/Registrant PAC.

In addition, this committee is a Leadership PAC. (Identify sponsor on line 6.)

Joint Fundraising Representative:

- (g) This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, at least one of which is an authorized committee of a federal candidate.
- (h) This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, none of which is an authorized committee of a federal candidate.

Committees Participating in Joint Fundraiser

1. FEC ID number C
2. FEC ID number C
3. FEC ID number C
4. FEC ID number C

12092681369

Image# 12950441190

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FEC MISCELLANEOUS TEXT RELATED TO A REPORT, SCHEDULE OR ITEMIZATION

Form/Schedule: F1A

Transaction ID :

The FECFiling software does not allow changing the designation of office sought or addition of state and district. This committee is now an authorized committee of a House candidate, Michele Bachmann, MN06. Please internally amend the committee type to House and candidate state to MN.

Form/Schedule:
Transaction ID:

12092681370

**FEC
FORM 3P**

**REPORT OF RECEIPTS
AND DISBURSEMENTS**

BY AN AUTHORIZED COMMITTEE OF A CANDIDATE
FOR THE OFFICE OF PRESIDENT OR VICE PRESIDENT

Office Use Only

1. NAME OF COMMITTEE (in full, type or print)

Example: If typing, type over the lines. 12FE4M5

Bachmann for President

ADDRESS (number and street))

P.O. Box 251310

Check if different
than previously
reported. (ACC)

Woodbury

MN

55125-

CITY

STATE

ZIP CODE

2. FEC IDENTIFICATION NUMBER

C

C00497511

3. THIS REPORT IS FOR Primary ☒ or General

4. TYPE OF REPORT (Choose One)

Check here if this is a Termination Report (TER)

Quarterly Reports:

Monthly Reports:

April 15 (Q1)

October 15 (Q3)

☒ Feb 20 (M2)

May 20 (M5)

Aug 20 (M8)

Nov 20 (M11)

July 15 (Q2)

January 31 Year-End Report (YE)

Mar 20 (M3)

Jun 20 (M6)

Sep 20 (M9)

Dec 20 (M12)

Apr 20 (M4)

Jul 20 (M7)

Oct 20 (M10)

Jan 31 (YE)

Thirtieth day report following the General Election

Twelfth day report preceding

election

on

on

in the State of

Is this Report an Amendment?

☒ no
yes

5. Covering Period

01

01

2012

through

01

25

2012

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

Nancy Watkins

Signature of Treasurer

Nancy Watkins

[Electronically Filed]

Date

03

21

2012

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g. All previous versions of this form are obsolete and should no longer be used.

Office
Use
Only

12092681371

DETAILED SUMMARY PAGE of Receipts

FEC Form 3P (Rev. 03/2011)

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NAME OF COMMITTEE (in Full)

Bachmann for President

Report Covering the Period: From: 01 01 2012 To: 01 25 2012

I. RECEIPTS	COLUMN A Total This Period	COLUMN B Election Cycle-to-Date
16. FEDERAL FUNDS (Itemize on Schedule A-P)	0.00	0.00
17. CONTRIBUTIONS (other than loans) FROM:		
(a) Individuals/Persons Other Than Political Committees		
(i) itemized	70634.12	2512399.18
(ii) unitemized	79417.42	4883636.82
(iii) Total contributions	150051.54	7396036.00
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees	0.00	7500.00
(d) The Candidate	0.00	0.00
(e) TOTAL CONTRIBUTIONS (other than loans) (Add 17(a), 17(b), 17(c) and 17(d))	150051.54	7403536.00
18. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	0.00	2000000.00
19. LOANS RECEIVED:		
(a) Loans Received From or Guaranteed by Candidate	0.00	0.00
(b) Other Loans	0.00	0.00
(c) TOTAL LOANS (Add 19(a) and 19(b))	0.00	0.00
20. OFFSETS TO EXPENDITURES (Refunds, Rebates, etc.):		
(a) Operating	285.33	6092.81
(b) Fundraising	0.00	0.00
(c) Legal and Accounting	0.00	0.00
(d) TOTAL OFFSETS TO EXPENDITURES (Add 20(a), 20(b) and 20(c))	285.33	6092.81
21. OTHER RECEIPTS (Dividends, Interest, etc.)	17390.53	17722.53
22. TOTAL RECEIPTS (Add 16, 17(e), 18, 19(c), 20(d) and 21)	167727.40	9427351.34

12092681372

DETAILED SUMMARY PAGE
of Disbursements and Contributed Items

FEC Form 3P (Rev. 03/2011)

PAGE 4 / 382

NAME OF COMMITTEE (in Full)

Bachmann for President

Report Covering the Period: From: 01 01 2012 To: 01 25 2012

II. DISBURSEMENTS	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
23. OPERATING EXPENDITURES.....	359335.53	9031636.81
24. TRANSFERS TO OTHER AUTHORIZED COMMITTEES	0.00	214010.00
25. FUNDRAISING DISBURSEMENTS	0.00	0.00
26. EXEMPT LEGAL AND ACCOUNTING DISBURSEMENTS.....	0.00	0.00
27. LOAN REPAYMENTS MADE:		
(a) Repayments of Loans made or Guaranteed by Candidate.....	0.00	0.00
(b) Other Repayments	0.00	0.00
(c) TOTAL LOAN REPAYMENTS MADE (Add 27(a) and 27(b)).....	0.00	0.00
28. REFUNDS OF CONTRIBUTIONS TO:		
(a) Individuals/Persons Other Than Political Committees.....	1500.00	11088.00
(b) Political Party Committees.....	0.00	0.00
(c) Other Political Committees	0.00	0.00
(d) TOTAL CONTRIBUTION REFUNDS (Add 28(a), 28(b) and 28(c))	1500.00	11088.00
29. OTHER DISBURSEMENTS	0.00	5000.00
30. TOTAL DISBURSEMENTS (Add 23, 24, 25, 26, 27(c), 28(d) and 29)	360835.53	9261734.81

III. CONTRIBUTED ITEMS
(Stock, Art Objects, Etc.)

31. ITEMS ON HAND TO BE LIQUIDATED
 (Attach List) 0.00

12092681373

**FEC
FORM 3****REPORT OF RECEIPTS
AND DISBURSEMENTS**
For An Authorized Committee

Office Use Only

1. NAME OF COMMITTEE (in full) TYPE OR PRINT ▼ Example: If typing, type over the lines. 12FE4M5

Bachmann for President

ADDRESS (number and street) ▼

P.O. Box 251310

Check if different
than previously
reported. (ACC)

Woodbury

MN

55125

2. FEC IDENTIFICATION NUMBER ▼

C C00497511

CITY ▲

STATE ▲

ZIP CODE ▲

STATE ▼ DISTRICT

3. IS THIS REPORT X NEW (N) OR AMENDED (A)

MN 06

4. TYPE OF REPORT (Choose One)

(a) Quarterly Reports:

- X April 15 Quarterly Report (Q1)
- July 15 Quarterly Report (Q2)
- October 15 Quarterly Report (Q3)
- January 31 Year-End Report (YE)

Termination Report (TER)

(b) 12-Day PRE-Election Report for the:

Primary (12P) General (12G) Runoff (12R)

Convention (12C) Special (12S)

Election on

in the State of MN

(c) 30-Day POST-Election Report for the:

General (30G) Runoff (30R) Special (30S)

Election on

in the State of MN

5. Covering Period

01 26 2012 through 03 31 2012

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Nancy Watkins

Signature of Treasurer

Nancy Watkins

[Electronically Filed]

Date

04 13 2012

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

Office
Use
Only**FEC FORM 3**
(Revised 02/2003)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA OVERNIGHT DELIVERY

July 12, 2012

William J. McGinley
Patton Boggs, LLP
2550 M Street, NW
Washington, DC 20037

C00497511
AF# 2509

Dear Mr. McGinley:

On April 4, 2012, the Federal Election Commission ("Commission") found reason to believe ("RTB") that Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer ("respondents"), violated 2 U.S.C. § 434(a) for failing to timely file the 2012 February Monthly Report. The Commission also made a preliminary determination that the civil money penalty was \$8,500 based on the schedule of penalties at 11 C.F.R. § 111.43.

After reviewing the written response and any supplemental information submitted by you and Commission staff, the Reviewing Officer has recommended that the Commission make a final determination in this matter. A copy of the Reviewing Officer's recommendation is attached.

You may file with the Commission Secretary a written response to the recommendation within 10 days of the date of this letter. Your written response should be sent to the Commission Secretary, 999 E Street, NW, Washington, DC 20463. As a result of the anthrax threat in the Washington, DC area, US Postal Service mail delivery to federal agencies, including the Commission, has been interrupted. Until regular mail delivery resumes, you may also file your written response with the Commission Secretary via facsimile (202-206-3333) or by courier at the same address (if you use an overnight delivery service, please use zip code 20004 instead of zip code 20463). Please include the AF # in your response. Your response may not raise any arguments not raised in your original written response or not directly responsive to the Reviewing Officer's recommendation. 11 C.F.R. § 111.36(f). The Commission will then make a final determination in this matter.

Please contact me at the toll free number 800-424-9530 (press 0, then press 1660) or 202-694-1660 if you have any questions.

Sincerely,

Dayna C. Brown
Reviewing Officer
Office of Administrative Review

Attachment

12092681375

PATTON BOGGS LLP

2550 M Street, NW
Washington, DC 20037
202-457-6000

Facsimile 202-457-5315
www.pattonboggs.com

July 20, 2012

William J. McGinley
202-457-6561
wmcginley@pattonboggs.com

VIA FACSIMILE: 202-208-3333

Ms. Shawn Woodhead Werth
Secretary & Clerk
Federal Election Commission
999 E Street, NW
Washington, DC 20463

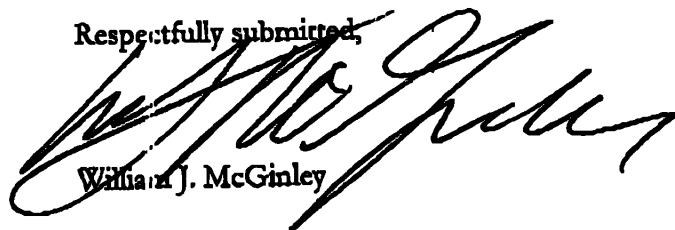
Re: Bachmann for President and Nancy Watkins, as Treasurer
C00497511
AF#2509

Dear Ms. Werth:

Please find attached the response of our clients, Bachmann for President and Nancy Watkins, as Treasurer, to the July 12, 2012 notification of the Reviewing Officer's recommendation in the above captioned matter.

Please do not hesitate to contact me with any questions.

Respectfully submitted,



William J. McGinley

12092681376

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)
)
Bachmann for President) AF #2509
and Nancy Watkins, as Treasurer) C00497511

**RESPONSE OF BACHMANN FOR PRESIDENT
TO THE REVIEWING OFFICER'S RECOMMENDATION IN AF #2509**

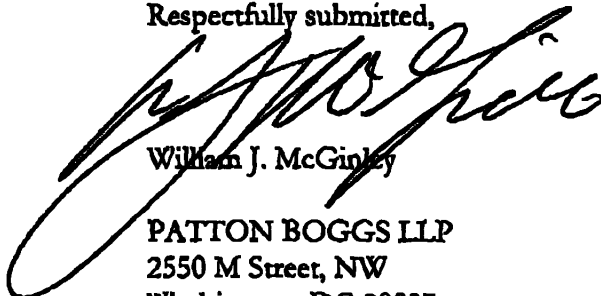
This responds on behalf of our client, Bachmann for President ("BFP"), to the July 12, 2012 notification of the Reviewing Officer's recommendation in the above-captioned matter. For the reasons set forth in BFP's May 11, 2012 response to the original notification in this matter, BFP's Treasurer, Nancy Watkins, and BFP challenged the proposed civil penalty because there are factual errors in the RTB finding.

The unique facts in this matter warrant at a minimum a significant reduction in – if not an outright elimination of – the proposed penalty, as Ms. Watkins proactively sought guidance from BFP's Reports Analysis Division's analyst in an effort to comply with the reporting requirements during the transitional period from a presidential campaign to an authorized campaign of a congressional candidate. There are no set procedures under the Federal Election Campaign Act or Commission regulations for this type of transition and Ms. Watkins good faith efforts, as set forth in the declaration attached to BFP's May 11, 2012 response, are material facts that the Commission must take into account when determining how or whether to proceed in this matter.

Accordingly, we respectfully request that the Federal Election Commission eliminate the civil penalty in its entirety based on the pro-active compliance efforts made by BFP, or in the

alternative, reduce the civil penalty to an appropriate amount.

Respectfully submitted,

A large, stylized handwritten signature in black ink, likely belonging to William J. McGinley, is written over the typed name and firm information.

William J. McGinley

PATTON BOGGS LLP
2550 M Street, NW
Washington, DC 20037
P: (202) 457-6000
F: (202) 457-6315

July 20, 2012

12092681378



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 24, 2012

MEMORANDUM

To: The Commission

Through: Alec Palmer
Staff Director

From: Patricia C. Orrock
Chief Compliance Officer

Dayna C. Brown *DCB*
Reviewing Officer
Office of Administrative Review

Subject: Final Determination Recommendation in AF# 2509 – Bachmann for President and Nancy Watkins, in her official capacity as Treasurer (C00497511)

On April 4, 2012, the Commission found reason to believe ("RTB") that the respondents violated 2 U.S.C. § 434(a) for failing to timely file the 2012 February Monthly Report and also made a preliminary determination that the civil money penalty was \$8,500 based on the schedule of penalties at 11 C.F.R. § 111.43.

On May 11, 2012, the Commission received their written response ("challenge"). After reviewing the challenge, the Reviewing Officer's recommendation ("ROR") dated July 11, 2012 was forwarded to the Commission, a copy was forwarded to the respondents, and is hereby incorporated by reference. The Reviewing Officer recommended that the Commission make a final determination that the respondents violated 2 U.S.C. § 434(a) and assess a \$8,500 civil money penalty because they submitted no evidence that a factual error was made in the RTB finding, that the penalty was miscalculated at RTB or that they used best efforts to file on time. 11 C.F.R. § 111.35(b).

Within 10 days of transmittal of the recommendation, they may file a written response with the Commission Secretary which may not raise any arguments not raised in their challenge or not directly responsive to the ROR. 11 C.F.R. § 111.36(f).

On July 20, 2012, the Commission received the written response from respondents' Counsel which reiterates the request that the civil money penalty be eliminated entirely or reduced to an appropriate amount given that the Treasurer proactively sought guidance from the Reports Analysis Division ("RAD") to comply with reporting requirements during the

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Committee's transition from a presidential committee to an authorized committee. Counsel again asserts that there are no set procedures under the Federal Election Campaign Act or Commission regulations for such a transition and the Treasurer's good faith efforts outlined in her May 11, 2012 declaration must be taken into account in this matter.

As discussed in the ROR, Commission records confirm that the Treasurer called RAD on January 18, 2012 to discuss transitioning the Committee. Records also show that the Reports Analyst advised the Treasurer that *after* she converted the Committee from a principal campaign committee ("PCC") of a Presidential candidate, their next report due would be the April Quarterly Report.

The Treasurer filed an amended Statement of Organization converting the Presidential PCC to an authorized committee of a U.S. House of Representatives candidate on February 6, disclosing January 25 as the date of the conversion. The Committee was, therefore, the PCC of a Presidential candidate from January 1 through January 25. Commission statute and regulations are clear that should a PCC of a presidential candidate have received contributions or made expenditures of \$100,000 or more on January 1 of an election year, the PCC is required to file monthly reports. 2 U.S.C. § 434 (a)(3)(A)(i) and 11 C.F.R. § 104.5(b)(1). This information was included in the Report Notice emailed to the Treasurer on December 27, 2012. Having met this criterion, the Committee was accordingly required to file the February Monthly Report for January 1 through January 25.

As advised by the Reports Analyst, following their conversion to an authorized committee of a House candidate, they could begin filing on a quarterly filing schedule which they did, submitting their April Quarterly Report, covering January 26 through March 31, on April 13, 2012. Commission records affirm that in July 2011, the Treasurer was similarly advised to file split reporting periods when converting the Candidate's Congressional PCC to an authorized committee of a Presidential candidate.

The Treasurer was proactive in that she called the Reports Analyst to discuss their reporting requirements should they convert to an authorized committee, prior to initiating such a conversion. In her declaration (submitted in the original challenge), she states that she confirmed with the Reports Analyst that should they convert the Presidential PCC to an authorized committee of a House candidate, "thereafter" they would file on a quarterly filing schedule. However, discussing what the Committee would file once it converted to an authorized committee did not exempt the Committee from its filing requirements for the time that it remained the PCC of a Presidential candidate.

The Reviewing Officer, therefore, recommends that the Commission make a final determination that the respondents violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$8,500.

OAR Recommendations

- (1) Adopt the Reviewing Officer recommendation for AF# 2509 involving Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, in making the final determination;

- (2) Make a final determination in AF# 2509 that Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$8,500; and
- (3) Send the appropriate letter.

Attachment

12092681381

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) AF 2509
Final Determination Recommendation:)
Bachmann for President and Nancy)
Watkins, in her official capacity as)
Treasurer (C00497511))

CERTIFICATION

I, Shelley E. Garr, recording secretary of the Federal Election Commission executive session, do hereby certify that on October 02, 2012, the Commission took the following actions in the above-captioned matter:

1. Failed by a vote of 2-4 to take the following actions:
 - a. Adopt the Reviewing Officer recommendations for AF# 2509 involving Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, in making the final determination.
 - b. Make a final determination in AF# 2509 that Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$8,500.
 - c. Send the appropriate letter.

Commissioners Bauerly and Weintraub voted affirmatively for the motion.

Commissioners Hunter, McGahn II, Petersen, and Walther dissented.

2. Decided by a vote of 4-2 to take the following action:
 - a. Terminate the proceedings pursuant to 11 C.F.R. § 111.37(b) with respect to the final determination recommendation in AF# 2509.

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Commissioners Hunter, McGahn II, Petersen, and Walther voted affirmatively for the decision. Commissioners Bauerly and Weintraub dissented.

Attest:

October 3, 2012
Date

Shelley E. Garr
Shelley E. Garr
Deputy Secretary of the Commission

12092681383



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 4, 2012

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William J. McGinley
Bachmann for President
Patton Boggs, LLP
2550 M Street, NW
Washington, DC 20037

C00497511
AF# 2509

Dear Mr. McGinley:

On April 4, 2012, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, violated 2 U.S.C. § 434(a) for failing to timely file the 2012 February Monthly Report. By letter dated April 5, 2012, the Commission sent your clients notification of the RTB finding that included a civil money penalty calculated at RTB of \$8,500 in accordance with the schedule of penalties at 11 C.F.R. § 111.43. On May 11, 2012, the Office of Administrative Review received your written response challenging the RTB finding.

The Reviewing Officer reviewed the Commission's RTB finding with its supporting documentation and the challenge. Based on this review, the Reviewing Officer recommended that the Commission make a final determination that Bachmann for President and Nancy H. Watkins, in her official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty in the amount of \$8,500 in accordance with 11 C.F.R. § 111.43. The basis for the Reviewing Officer's recommendation was included in the Final Determination Report, a copy of which was sent to you on July 12, 2012.

On July 20, 2012, the Commission received your response. On October 2, 2012, the Commission failed to adopt the Reviewing Officer's recommendations contained in the Final Determination Report. The Commission then voted to terminate the proceedings pursuant to 11 C.F.R. § 111.37(b). A copy of the final determination memorandum is attached.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. The file will be made a part of the public record pursuant to

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11 C.F.R. § 111.42(b). Although the file must be placed on the public record within 30 days from the date of the Commission's notification, this could occur at any time following certification of the Commission's vote.

If you have any questions regarding this matter, please contact Dayna Brown on our toll free number (800)424-9530 (press 0, then ext. 1660) or (202)694-1660.

On behalf of the Commission,

A handwritten signature in cursive script, appearing to read "Caroline C. Hunter".

Caroline C. Hunter
Chair

Attachment

12092681385



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE END OF ADMINISTRATIVE FINE CASE # 2509

DATE SCANNED 11-14-12

SCANNER NO. 2

SCAN OPERATOR JmN

12092681386